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Regional Freight Leadership Task Force

Minutes February 7, 2014

Offices of the Chicago Metropolitan Agency for Planning (CMAP)

DuPage County Conference Room

Suite 800, 233 S. Wacker Drive, Chicago, Illinois

Members Present: Michael Gorman (Chair), Chris Berry – University of Chicago, David

Brady – Village of Bedford Park, Michael Burton – C&K Trucking, Rick Dickens – Cannon Ball Express Lines, Bill Driegert – Coyote Logistics, Peter Fahrenwald – RTA, Paul Fisher – CenterPoint Properties, Alicia Hanlon – Office of the Will County Executive, Jim LaBelle – Metropolis Strategies, Phil Resendiz – FedEx, Herbert Smith – Norfolk Southern,

John Yonan – Cook County Department of Transportation and

Highways

Staff Present: Alex Beata, Lindsay Hollander, Jill Leary, Tom Murtha, Elizabeth

Schuh, Jacki Murdock, Simone Weil

Others Present: Joe Alonzo – CDOT, Kristen Andersen – Metra, Jennifer Becker –

Kane/Kendall Council of Mayors, Kevin Donahue – Illinois Tollway, Lee Hutchins – AECOM, Mike Klemens – Will County Governmental League, John Loper – DuPage County DOT, Ken Meuser – Union League Club of Chicago, Libby Ogard – Prime Focus LLC, Mary

Elisabeth Pitz – MEPA, Brian Rademacher – IDOT, Stan Scofield – APL,

Erika Witzke – Cambridge Systematics

1.0 Call to Order

Regional Freight Leadership Task Force Chair, Michael Gorman, called the meeting to order at 9:34 a.m.

2.0 Agenda Changes and Announcements

There were no agenda changes. Mr. Beata noted that CMAP staff submitted comments to U.S. DOT on the draft Primary Freight Network. He also updated the Task Force on CMAP's efforts to coordinate with other large metropolitan planning organizations in commenting on the draft Primary Freight Network and in developing freight policy principles for federal reauthorization.

3.0 Approval of Minutes – January 10, 2014

Mr. Fisher moved to approve the minutes from January 10, 2014. The motion was seconded by Ms. Hanlon and unanimously approved by the Task Force.

4.0 Current Planning and Programming Practice

Mr. Beata provided a summary of the background paper, reviewing four examples of past freight planning efforts in the state and region (GO TO 2040, IDOT's Freight Mobility Plan, the Metropolis Freight Plan, and the OECD Territorial Review). He then provided a summary of three case studies in programming practice (the IDOT Multimodal Transportation Improvement Program, the CMAP Congestion Mitigation and Air Quality Improvement Program, and the Suburban Councils of Government Surface Transportation Program).

The Task Force members discussed many aspects of current planning and programming practices in the region. The Task Force discussed the lack of a comprehensive, official freight plan for northeastern Illinois, and noted that such a plan should include both prioritized capital projects and operational improvements, such as coordinated truck routing. The Task Force also discussed providing incentives for off-hours delivery programs, and noted that carriers have less ability to respond to changes in price because they must meet the receivers' needs.

The Task Force also noted the balkanized jurisdictional landscape in northeastern Illinois. Funding sources are often restricted to a jurisdiction's network, despite potential benefits that may result from investment off the network. Task Force members discussed the relative merits of two different approaches to address this challenge. The first would involve a strong regional entity with the ability to conduct planning and fund projects, perhaps preempting local authorities to do so. The second would rely on a more incremental, bottom-up approach of collaborative freight planning and funding of projects. The Task Force also discussed the example of a 2011 proposal for a transportation district in western Will County.

5.0 Potential Revenue Sources

Mr. Beata provided a summary of the second background paper, which provided policy discussion and rough revenue estimates for a variety of funding sources. These included both broad-based revenue sources and project- or corridor-specific revenue sources. The discussion of broad sources encompassed the motor fuel tax, motor vehicle registration fees, and sales taxes, along with various fees tied more explicitly to goods movement. Project-specific approaches included property tax mechanisms (tax increment financing, special service areas), along with congestion pricing and value capture.

On congestion pricing, the Task Force noted that even a small shift in traffic volumes from peak to non-peak times may result in a substantial reduction in congestion. They also noted that carriers already face an incentive to avoid travel during congested times because of the higher operating costs, which acts as de facto form of congestion pricing.

Task Force members noted that the state and region have limited additional capacity in broad-based revenue sources, and that whatever capacity remains may in part be counted

upon to fund the transportation system as a whole, not just the freight system. This conclusion led to some discussion of more "surgical" approaches, such as incentives and project-specific funding sources, as well as a suggestion to revisit the programming processes for existing transportation funds.

The Task Force members began to discuss potential models for a Regional Freight Authority to follow. All models discussed by the Task Force involved robust regional planning efforts, advocacy for freight needs, and the transparency of project evaluation and selection processes. In one model, the regional agency would identify locations for needed freight improvements, and take on an entrepreneurial role in bringing together affected stakeholders to fund projects. Stakeholders, including both public and private entities, would contribute funding because they would experience value from the capital investment. This approach could be implemented incrementally, starting first with cooperative operational improvements and then expanding to capital improvements as working relationships develop across stakeholders. In a second model, the regional agency would conduct robust freight planning, and have the authority to fund and implement projects.

The discussion closed with a question from one Task Force member, asking the group to consider CMAP's role in a potential Regional Freight Authority. CMAP is the official regional planning agency and may overlap with some of the potential functions of a Regional Freight Authority as described by Task Force members.

6.0 Other Business

There was no other business before the Task Force.

7.0 Public Comment

There were two public comments, the first from Ms. Pitz and the second from Ms. Ogard.

8.0 Next Meeting

The Task Force meets next on March 7, 2014.

9.0 Adjournment

The Task Force adjourned at 11:14 a.m.

Respectfully submitted,

Alex Beata, CMAP Staff